
**Bureau of Economic and Business Research
Annual Report 2004-2005**

July 2005

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**UNIVERSITY OF
FLORIDA**

Staff members, Bureau of Economic and Business Research
July 2005

Director:

Stanley Smith, Ph.D., Professor and Program Director

Economic Analysis Program:

David Denslow, Ph.D., Professor and Program Director

James (Jim) Dewey, Ph.D.

Chifeng Dai, Ph.D.

Babak (Bob) Lotfinia, B.A.

Population Program:

Stanley Smith, Ph.D., Professor and Program Director

Scott Cody, M.B.A.

Stefan Rayer, Ph.D.

Survey Program:

Chris McCarty, Ph.D., Program Director

Scott Richards, M.A.

Alicia Turner, B.S.

Sama Govinda, M.S.

Information/Publication Services Program:

Susan Floyd, M.A., Program Director

Eve Irwin, B.A.

Phoebe Wilson, A.A.

Administrative Services Program:

Clint Collins, B.S., Program Director

Janet Fletcher

Pamela Middleton

Paula Ivey

Information Technology:

Clint Collins, B.S., Program Director

Balaji Krishnaprasad, M.S.

Jason Casiano

Bureau of Economic and Business Research Annual Report 2004-2005

About the BEBR

Founded in 1929, the Bureau of Economic and Business Research (BEBR) is an applied research center in the Warrington College of Business at the University of Florida (UF). Its primary mission is to: 1) Collect economic and demographic data for Florida and its local areas; 2) Conduct economic, demographic, and public policy research on topics of particular importance to the state of Florida; and 3) Distribute data and research findings throughout the state and the nation. BEBR seeks to conduct research that is both academically sound and directly relevant to public and private decision makers in Florida.

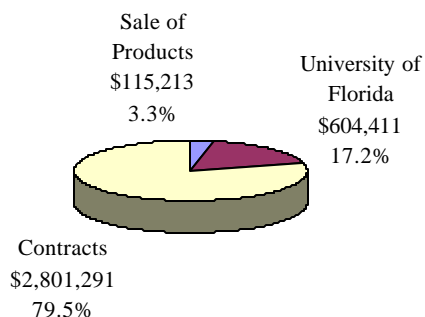
BEBR plays a number of roles within the state, the college, and the university. Its research provides decision makers with data and analyses that contribute to a deeper understanding of Florida's rapidly changing economic and demographic climate. It provides employment and training for numerous graduate students and more than 250 undergraduate students each year. It generates revenues by selling data and publications and by obtaining research contracts and grants. It creates favorable publicity for the college and the university through its publications, presentations, reference services, and contributions to public policy. Its staff members teach several courses each year in the Economics Department, and occasionally in other departments as well. BEBR activities thus fall within the university's traditional functions of teaching, research, and service, but the impact of those activities carries far beyond campus boundaries.

The Year in Review

BEBR had a solid year in 2004-2005, doing many of the things it has done in the past but engaging in a number of new activities as well. Staff members were very productive, as they served as principal investigators on 25 research contracts; published 16 articles, technical reports, or data compilations; presented 16 papers at professional conferences; made 17 presentations to business, civic, and governmental groups throughout the state; responded to more than 2,000 requests for information; and taught four courses in the Economics Department. Total revenue was greater than ever before, topping \$3 million for the second consecutive year; 83% of those revenues were generated by research contracts and the sale of data and publications (see Figure 1). As usual, salaries and wages accounted for approximately 80% of BEBR expenditures.

In addition to its usual activities, the **Population Program** had three major accomplishments during the past year. First, it published a report on snowbirds and other temporary residents in Florida. There are no comprehensive data sources covering temporary residents in Florida; consequently, there is a great deal of interest in that topic among researchers, private businesses, public officials, and members of the media. Staff members received many phone calls and emails from all over the country requesting further information. Second, the program revised the methodology used for making population projections by age, sex, race, and Hispanic origin, incorporating data from several sources that had previously been unavailable. This revision

**Figure 1. Estimated Revenues 2004-2005
(preliminary): \$3,520,915**



required a great deal of staff time but will improve the quality of the projections for years to come. Finally, the program received a contract from the Florida Legislature to conduct research on the demographic impact of the 2004 hurricane season in Florida. Hurricanes Charley, Frances, Ivan, and Jeanne had a tremendous impact on the Florida population and this research will help us determine how many people were forced out of their homes, where they went, whether they have returned, and what they might do in the future. The answers to these questions will be critical for informing public policy and for ensuring the quality of future population estimates and projections.

The Population Program continues to produce the official population estimates for all cities and counties in Florida; state and county estimates of households and average household size; and population projections by age, sex, race, and Hispanic origin for the state and each county. Staff members published four technical reports related to the Florida population; presented four papers at professional conferences; and reviewed five articles for academic journals. Program Director Stanley Smith served as a member of the U.S. Census Bureau's Advisory Committee of Professional Associations and Stefan Rayer served as chair of the Steering Committee of the Federal-State Cooperative Program for Population Projections. Scott Cody was Florida's representative to the Federal-State Cooperative Program for Population Estimates. Staff members also responded to many requests for information on state and local population trends from researchers, business leaders, government officials, and members of the media. The Population Program's regular contract with the Florida Legislature generated \$286,536 in gross revenues during the year and the hurricane survey research contract generated an additional \$336,000.

The **Economic Analysis Program** also had a busy year. Previously, staff members had revised the methodology used to construct the Florida Price Level Index (FPLI), a cost-of-living measure used by the Florida Department of Education to allocate state funding to local school districts. This revision was controversial because it led to a substantial shift in the distribution of state educational funds. Lawsuits were filed by several school districts and the case was recently tried in state court. Program Director David Denslow and staff members Jim Dewey and Bob Lotfinia played an active role in the litigation, which was decided in favor of the Department of Education, thereby supporting the validity of the BEBR methodology. In research related to this

project, Dr. Dewey demonstrated that the wage-based index used in the revised methodology produces more accurate estimates of educational costs than the retail price index used previously in calculating the FPLI. The Economic Analysis Program also introduced two new indices related to the FPLI, the Florida County Retail Price Index and the Florida County Wage Index.

Staff members worked on a variety of other projects during the year. Working with the Center for Personnel Studies in Special Education, they designed a set of questionnaires to collect information regarding alternative methods for certifying special educators. Working with the American Cancer Society, Chifeng Dai and David Denslow found that Florida's recently enacted smoking ban increased restaurant sales by about five percent, while reducing bar sales by about two percent. They also found that the increase in restaurant sales was stronger in counties in which voters supported the ban more strongly. These findings were presented at the National Conference on Tobacco and Health in Chicago. J. C. Zannis, a doctoral student working in the Economic Analysis Program, presented a paper on local gasoline taxes co-authored with David Denslow and Jon Hamilton at the annual meeting of the Southern Economic Association. Professor Denslow was recently appointed to an additional two-year term as a member of the Governor's Council of Economic Advisers. He continues to serve as a member of the Board of Directors of the Collins Institute, chairs UF's faculty compensation committee and the College of Business teaching committee, and serves on several other university committees. Staff members published an article in a professional journal, reviewed two articles for such journals, presented six papers at academic or professional conferences, and made 15 research presentations to business, civic, and government groups throughout the state.

The Economic Analysis Program generated more than \$185,000 in research contracts during the year and another \$240,180 as compensation for litigation support. In personnel moves, Chifeng Dai will leave the program later this summer to become an assistant professor of economics at the University of Southern Illinois. Eve Irwin, who served as research coordinator in the program for several years before leaving for military service, has returned to BEBR but will be working with the Information/Publication Services Program. Bob Lotfinia, who had been working as a research coordinator on a temporary basis, was hired on a permanent basis last summer.

The **Survey Program** had another big year in terms of contracts and funded research. Gross revenues topped \$2 million for the first time ever. Repeat clients of the **UF Survey Research Center (UFSRC)** included the UF Institute for Child Health Policy, the Florida Agency for Health Care Administration, the Florida Department of Elder Affairs, Visit Florida, the Florida Public Service Commission, and the Florida Medicaid Center. These repeat clients accounted for more than half of the UFSRC's total revenue during the year. Other clients included the Florida Department of Education, the Florida Retail Federation, the University of South Florida, and several researchers in the UF Health Science Center. In terms of number of interviews, the largest single project was a survey conducted for the Florida Health Insurance Survey, which resulted in more than 16,000 completed interviews.

The Survey Program continues to be active in both applied and academic research. Staff members have submitted grant proposals to the National Science Foundation and the National Institutes of Health and have participated as consultants on several other proposals. They published two articles in professional journals, presented three papers at professional

conferences, and wrote several working papers. Chris McCarty, director of the Survey Program, signed a contract with Guilford Publishing and is writing a book on personal network analysis.

The Survey Program instituted several new management procedures this year. An automated monitoring system was implemented that evaluates interviewers on the basis of productivity rather than hours spent on the job. This will create a work environment that is more flexible for interviewers while making them more accountable for how their time is spent. A new scheduling program is being written that will lead to a more efficient allocation of interviewers to survey projects. Both of these changes will make the system run more smoothly and lead to improvements in the bottom line. In a personnel change, Sama Govinda joined the program as a full-time employee after working for several years as a graduate student.

The **Information/Publication Services Program** produced and published four annual statistical volumes about Florida and four monthly or annual reports during the past year: *Florida Statistical Abstract*, *Florida and the Nation*, *Florida County Rankings*, *Florida County Perspective*, *Housing Starts and Permits*, *Building Permit Activity Reports*, *Gross and Taxable Sales*, and *The Florida Price Level Index*. In addition, program staff published and distributed *Florida Estimates of Population* and three issues of *Florida Population Studies* on behalf of the Population Program; prepared monthly press releases for the Survey Program's Consumer Confidence Index; and provided editorial and publication assistance on several reports written by the Economic Analysis Program. In October 2004, the Information/Publication Services Program received an "Excellence in Publication" award from the Association for University Business and Economic Research (AUBER) for the *Florida Statistical Abstract*.

In an ongoing effort to move toward an online ordering and publication retrieval system, the Information/Publication Services Program implemented *ePubs* during the past year, offering customers the option of receiving various BEBR publications and data via email. This move has been well received and is helping reduce postage and handling costs. Staff members are currently developing an online system for taking and processing telephone orders, a secured Internet automated publication ordering system, and a subscriber online service that informs customers about the availability of publications and special reports throughout the year. For the second year, the Information/Publication Services Program worked with the Survey Program to track more than 7,000 fire safety reports for the Florida State Fire Marshal's office; results were published in *Florida Public Schools Annual Fire Safety Report FY 2003-2004: Keep Florida Safe*. The program has increased its direct mail marketing efforts and continues to manage the BEBR web site and to coordinate all marketing, distribution, and public relations efforts. In an important outreach function, it responds to more than 2,000 information requests each year.

Susan Floyd, director of the Information/Publication Services Program, participated in a "Success by the Numbers: Statistics for Business Development" panel discussion at the annual meeting of the American Library Association in Orlando. She also made a presentation on "Finding Florida Statistical Resources and Data" to a group of graduate students from UF's Urban and Regional Planning Department. Eve Irwin rejoined the Information/Publication Services Program after several years with the Economic Analysis Program and two years of active military service. We are happy to have Eve back safe and sound.

The **Administrative Services** and **Information Technology Programs** provide the background support that helps BEBR run smoothly. Administrative Services staff members manage the BEBR budget, track revenues and expenditures, maintain personnel files and appointments, handle orders and shipments of BEBR publications, provide oversight for compliance with University rules and regulations, and perform many other essential office tasks. During the past year, staff members prepared approximately 60,000 flyers promoting BEBR programs and publications, sent out more than 3,600 data items, and provided back-up support in answering information calls. Staff members are now scanning and archiving old paper human resource records in Adobe Acrobat format. This task has traditionally been outsourced to a private vendor; performing it in-house will save about \$1,000 per year. The Adobe format is a well known open format that is likely to be accessible for many years, making it much easier to do searches than was possible using the previous format.

Perhaps the greatest achievement of the Administrative Services staff this year was making the transition to the PeopleSoft system adopted by UF last summer. The new system has a number of shortcomings and often does not mesh well with the old system, creating many problems when performing routine tasks such as processing personnel appointments, managing research contracts, and paying bills. Staff members have done an excellent job of learning the new system and dealing with the frustrations it produced. They have also taken over many of the grant management responsibilities of the Center for International Business Education and Research (CIBER). This has reduced the management burden for CIBER and provided additional revenues for the BEBR. Paula Ivey joined the Administrative Services staff last winter, replacing Charlotte Zunker.

Information Technology (IT) staff members provide technical support for all BEBR hardware and software. They manage the network, evaluate existing technology, and provide guidance regarding future technological developments. During the past year, they provided project management for the Fire Safety Inspection Report web portal, designing the data base structure, user interface, and report layout. They also trained fire inspectors in using the portal to submit inspection reports. This project not only provides a valuable service to the State Fire Marshal's office, but also generates revenues for the BEBR. IT staff members also spent a great deal of time working with staff members in the Survey Program, helping them develop an employee scheduling system and revise their data base technology. Clint Collins, director of the Administrative Services and IT programs, serves on UF's Information Technology Administrative Committee and its Transportation, Parking and Facilities Vision Committee.

BEBR currently has 20 full-time staff members and a large number of graduate and undergraduate students (see Figure 2). This report provides a quick overview and summary of BEBR's activities and output during the past year. For additional information on our products, services, and research activities, check out our web site at www.bibr.ufl.edu or give us a call at (352) 392-0171.

Figure 2. Organizational Chart, BEBR

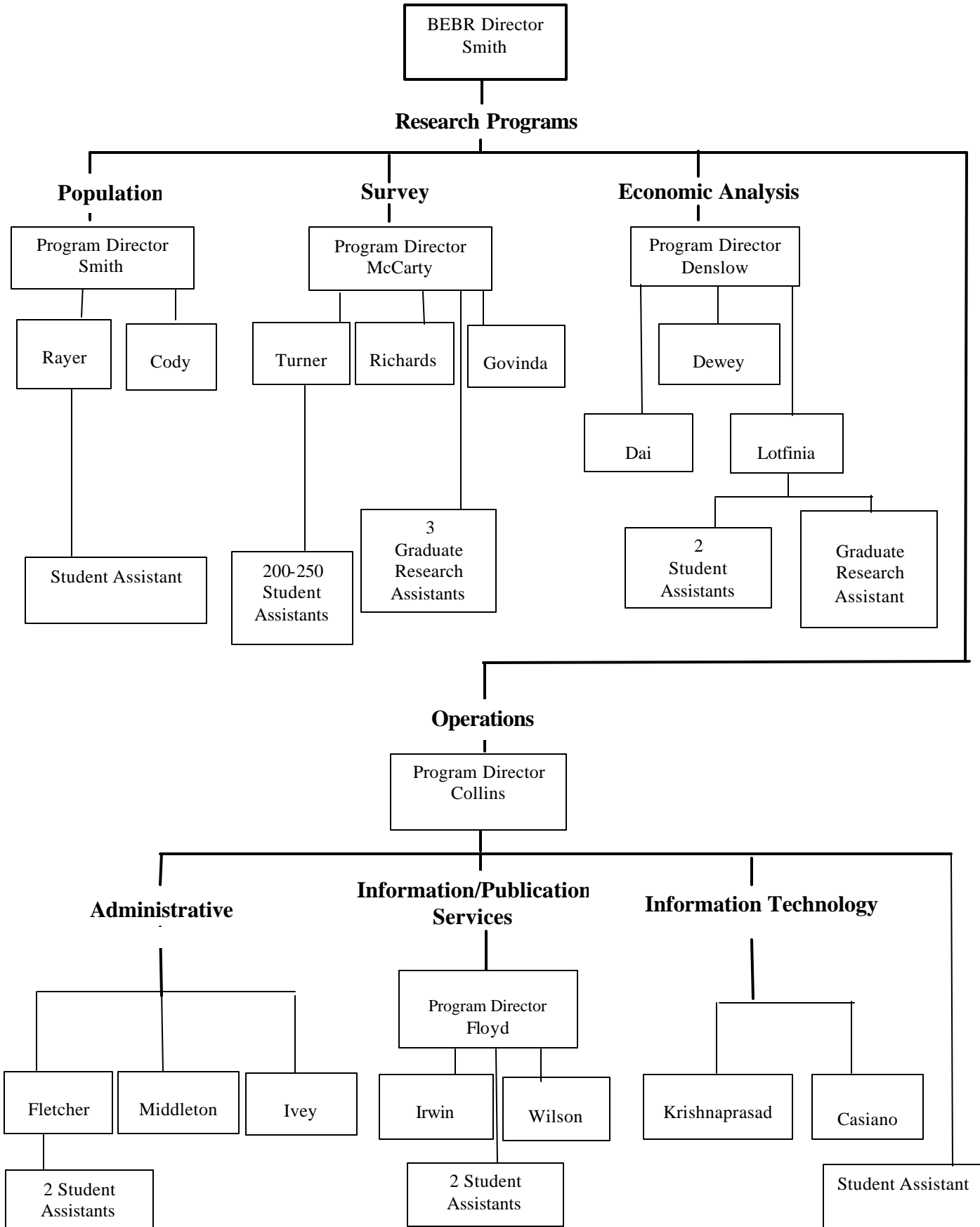


Table 1. Publications, 2004-2005

Dai, Chifeng

“The Economic Impact of Florida’s Smoke-free Workplace Law,” report prepared for the American Cancer Society, April 2005.

“Delegating Management to Experts,” (with Tracy Lewis), *Rand Journal of Economics*, forthcoming.

Dewey, Jim

“Funding Florida’s Education Standards, 2009-10 and 2014-15,” report prepared for the Dupont Foundation, January 2005.

“Improvements to the 2003 Florida Price Level Index: Background, Theory, Tests Based on the Current Population Survey, the Relationship Between Excess Teacher Turnover in Florida’s Schools and the Market Basket Approach, and Robustness Checks,” report prepared for the Florida Legislature, April 2005.

Dewey, Jim, Dave Denslow and Bob Lotfinia

“2004 Florida Price Level Index,” report prepared for the Florida Department of Education, March 2005.

“2004 Florida County Retail Price and Wage Indices,” Bureau of Economic and Business Research, May 2005.

Floyd, Susan and Phoebe Wilson

Florida Statistical Abstract, 2004, 38th ed., Bureau of Economic and Business Research, January 2004.

Florida County Rankings, 2004, 11th ed., Bureau of Economic and Business Research, March 2005.

Florida Public Schools Annual Fire Safety Report FY 2003-2004: Keep Florida Safe, report prepared for the Florida Division of State Fire Marshal, January 2005.

McCarty, Chris and Sama Govinda

“A Modified Elicitation of Personal Networks Using Dynamic Visualization,” *Connections*, forthcoming 2005.

Table 1. Publications, 2004-2005
(continued)

McCarty, Chris, Mark House, Scott Richards and Jeffrey Harman

“Separating the Effect of Effort versus Context on Response Rates for Telephone Interviewing.”
Field Methods, forthcoming 2005.

Smith, Stanley and Scott Cody

“Number of Households and Average Household Size in Florida: April 1, 2004,” *Florida Population Studies*, Vol. 38, No. 1, Bulletin 140, January 2005.

Florida Estimates of Population, April, 2004, Bureau of Economic and Business Research, February 2005.

Smith, Stanley and Stefan Rayer

“Population Projections by Age, Sex and Race and Hispanic Origin for Florida and Its Counties, 2003-2030,” *Florida Population Studies*, Vol. 37, No. 3, Bulletin 139, July 2004.

“Projections of Florida Population by County 2004-2030,” *Florida Population Studies*, Vol. 38, No. 2, Bulletin 141, February 2005.

Wilson, Phoebe and Eve Irwin

Florida County Perspective, 2004, Bureau of Economic and Business Research, May 2005.

Table 2. Presentations at Academic/Professional Conferences, 2004-2005

Dai, Chifeng

“The Effect of Organizational Form on Cost Efficiency: Florida’s Non-Emergency Medicaid Transportation Program,” Ohio University, Athens, OH, January 2005.

“Delegating Management to Experts,” Southern Illinois University, Carbondale, IL, February 2005.

“Delegating Management to Experts,” Georgia State University, Atlanta, GA, February 2005.

Denslow, David

“Economics of Teacher Training,” Office of Special Education Programs, Washington, DC, October 2004.

“State & Local Finance,” Collins Institute, Tallahassee, December 2004.

“Globalization of the Florida Economy,” University of South Florida, Tampa, February 2005.

“Restaurant Product Differentiation,” National Conference on Tobacco and Health, Chicago, IL, May 2005.

Dewey, James

“Evaluating Alternative Routes to Certification,” meeting of the National Center for Alternative Certification, Orlando, February 2005.

Floyd, Susan

“Success by the Numbers: Statistics for Business Development,” panel discussion at annual meeting of the American Library Association, Orlando, July 2004.

McCarty, Chris

“EgoNet and personal network data collection,” workshop at the Universitat Autònoma de Barcelona, Barcelona, Spain, November 2004.

“Personality and Personal Networks,” Sunbelt Social Networks Conference, Redondo Beach, CA, February 2005.

“Measurement of Acculturation Using Personal Network Composition and Structure,” Society for Applied Anthropology, Santa Fe, NM, April 2005.

**Table 2. Presentations at Academic/Professional Conferences, 2004-2005
(continued)**

Rayer, Stefan

“Assessing the Accuracy of Trend Extrapolation Methods for Population Projections: The Long View,” annual meeting of the Southern Demographic Association, Hilton Head, SC, October 2004.

“Evaluating County Population Projections Using a Century of Census Data,” annual meeting of the Population Association of America, Philadelphia, PA, April 2005.

Smith, Stanley

“An Analysis of Temporary Migration Flows in Florida,” annual meeting of the Southern Demographic Association, Hilton Head, SC, October 2004.

“Snowbirds, Sunbirds and Stayers: Seasonal Migration of the Elderly in Florida,” annual meeting of the Population Association of America, Philadelphia, PA, April 2005.

Table 3. Presentations to Business/Civic/Government Groups, 2004-2005

Denslow, David

Askew Institute, Gainesville, May 2004
Collins Institute, Tallahassee, May 2004
Florida School Finance Officers, Orlando, June 2004
Gainesville City Commission, Gainesville, October 2004
Florida Council of 100, Boca Raton, November 2004
FICPA, Gainesville, November 2004
UF College of Engineering, Faculty & Board of Directors, Gainesville, November 2004
UF Alumni, Gainesville, December 2004
Free Speech Forum, Gainesville, December 2004
Lakeland Business Breakfast, Lakeland, January 2005
Leadership Florida, Tallahassee, February 2005
Governor Bush & CIA, Miami, March 2005
UF-DIS Faculty & Board, Gainesville, April 2005
Economic Club, Tallahassee, April 2005
Elks Board of Directors, Umatilla, April 2005

Floyd, Susan

Urban and Regional Planning Department, UF, September 2004

McCarty, Chris

Florida Agency for Health Care Administration, Tallahassee, February 2005

Table 4. Professional and University Service, 2004-2005

Cody, Scott

Florida Representative, Federal-State Cooperative Program for Population Estimates

Collins, Clint

Member, Information Technology Administrative Committee, Network Infrastructure, UF
Member, Transportation, Parking & Facilities Vision Committee, UF

Dai, Chifeng

Reviewer, *Journal of Law, Economics and Organization*
Reviewer, *Journal of Economics and Management Strategy*

Denslow, David

Ad Hoc, Professional Employment Organization Task Force, BWI
Member, Collins Institute Board of Directors
Member, Florida Governor's Council of Economic Advisors
Chair, Faculty Compensation Committee, UF
Chair, College Teaching, UF
Member, Alumni Professor Selection Committee, UF
Member, Faculty Welfare, UF
Member, Faculty Welfare Policy Council, UF
Member, Rhodes-Marshall-Truman Selection Committee, UF

Floyd, Susan

Member, UF Communications Network

Krishnaprasad, Balaji

Member, UF Programmers User Group

McCarty, Christopher

Reviewer, *Social Networks*

**Table 4. Professional and University Service, 2004-2005
(continued)**

Rayer, Stefan

Chair, Steering Committee, Federal-State Cooperative Program for Population Projections
Florida Representative, Federal-State Cooperative Program for Population Projections
Reviewer, *Population Research and Policy Review*

Smith, Stanley

Member, Committee on Applied Demography, Population Association of America
Member, Census Advisory Committee of Professional Associations
Peer Review of Teaching, Department of Economics, UF
Reviewer, *Demography*
Reviewer, *Population Research and Policy Review*
Reviewer, *Population Studies*
Reviewer, *Social Science Quarterly*

Table 5. Contracts and Grants Awarded, 2004-2005

Collins, Clint

“Inspection Report Data Entry Module,” Division of State Fire Marshal \$14,500

Denslow, David

“The Economic Effect of Florida’s Smoke-Free Workplace Amendment,”
American Cancer Society \$33,000

Dewey, Jim

“Evaluating Alternative Routes to Certification in Special Education,”
US Department of Education, subaccount with Paul Sindelar,
UF College of Education \$50,000

“Measuring Efforts to Diversity Florida’s Economy,” Enterprise Florida \$52,632

“2004 Florida Price Level Index,” Florida Department of Education \$49,734

“Florida Price Level Index Litigation Support,” @ \$250 an hour \$240,180

Floyd, Susan

“Florida Public Schools Annual Report, FY 2003-2004,”
Division of State Fire Marshal \$5,000

McCarty, Chris

Surveys for:

Florida Agency for Health Care Administration \$400,906

Florida Department of Education \$20,000

Florida Department of Elder Affairs \$25,960

Florida Department of Transportation \$82,217

Florida Legislature \$292,000

Florida Public Service Commission \$12,000

Florida Retail Federation \$20,000

Florida State Fire Marshal \$5,000

Florida State University \$500

Florida Tourism \$8,000

InfoTech \$9,174

National Science Foundation \$56,971

St. Joseph’s Women’s Hospital \$10,000

UF College of Health Professions \$19,988

UF Health Services Administration \$113,539

UF Health Services Research \$11,000

UF Institute for Child Health Policy \$638,653

UF Institute of Higher Education \$500

UF School of Forestry \$2,200

**Table 5. Contracts and Grants Awarded, 2004-2005
(continued)**

UF Law School/MacArthur Foundation	\$7,500
UF Medicaid Center	\$206,019
University of South Florida	\$85,000
US Department of Veteran Affairs	\$4,582
Survey Subtotal	\$2,031,709
Smith, Stanley	
“Population Research Contract,” Florida Legislature	\$286,536
“Hurricane Research Contract,” Florida Legislature	\$44,000
TOTAL	\$2,801,291

Table 6. Courses Taught, 2004-2005

Denslow, David

Summer A 2005	ECO 2013	Intro Macroeconomics	177 students
Summer B 2004	ECO 2013	Intro Macroeconomics	151 students
Fall 2004	ECO 2013	Intro Macroeconomics	901 students
Spring 2005	ECO 2013	Intro Macroeconomics	926 students